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FISCAL IMPACT STATEMENT

LS 7260

BILL NUMBER: HB 1550

NOTE PREPARED: Jan 18, 2015

BILL AMENDED:

SUBJECT: Highway Worker Death and Injury Benefits.

FIRST AUTHOR: Rep. Morris

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that the Indiana Highway Work Zone Solidarity Fund is established to pay benefits under this chapter to or on behalf of highway workers who are injured or killed while on duty in a covered highway work zone. The bill annually appropriates money in the fund.

Effective Date: July 1, 2015.

Explanation of State Expenditures: *Indiana Department of Transportation (INDOT):* INDOT is to administer the fund, which serves as a death benefit fund as well as a worker's compensation benefit fund for highway workers who are injured or killed while on duty in a covered highway work zone.

Death benefits from the fund are limited, in that they do not apply to state employees who die in the line of duty (they are already eligible for the State Employee Death Benefit program). Injury benefits are available to all affected highway workers, regardless of whether or not they are state employees. The benefits paid from the fund include a \$100,000 death benefit to the survivor of the highway worker and personal injury benefits that equate to 25% of the worker's compensation benefits that the highway worker is entitled to. These injury benefits from the fund are in addition to any worker's compensation benefits paid to the injured worker.

The total amount of benefits to be paid out of the fund each year is unknown. The bill directs that revenues from speed limit fines in work zones will be directed to the fund. (Currently, these fines are used by INDOT to pay for off-duty police officers to patrol highway work zones.) For the last several years, these fines have generated an average of \$1.2 M per year.

Expenses related to the administration of the fund are to be paid for out of the fund.

Additional Information: The State Employee Death Benefit, which is administered by the Indiana Public Retirement System, pays \$100,000 to the survivor of state employees killed in the line of duty. Individuals who are eligible for this state employee benefit are not eligible for a death benefit from the new Highway Work Zone Solidarity Fund. However, all highway workers are eligible for injury benefits out of the fund.

INDOT reports that there has been one INDOT employee killed in a work zone since 2009. Information is not available on the incidence or magnitude of work zone injuries for INDOT employees. INDOT does not collect data on injuries or fatalities of non-INDOT employees in work zones. However, media accounts report that two contract highway workers were killed in a work zone in May 2014, the first such incident since 2012.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: INDOT.

Local Agencies Affected: Local units who have highway workers in covered highway work zones.

Information Sources:; Robert Alderman, ralderman@indot.in.gov; Indianapolis Star, *Questions Remain After 2 Construction Workers Killed in I-69 Accident*, 05/09/2014, <http://www.indystar.com/story/news/crime/2014/05/09/construction-workers-killed-accident/8888181/>; John Weinmann, jweinmann@indot.in.gov.

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